

NEWS RELEASE

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Springfield Woman Sentenced to 36 Months in Federal Prison for Embezzlement from Horace Mann

Springfield, Illinois – A former executive assistant with Horace Mann Insurance Companies, Gerri E. Ripka, age 51, of 1829 Hunter Ridge Drive, Springfield, Illinois, was sentenced today to serve 36 months in federal prison for embezzling more than \$200,000 from her employer, most of which was intended for United Way of Central Illinois. United States District Judge Jeanne E. Scott further ordered that Ripka pay restitution to Horace Mann in the amount of \$189,477, as announced by Rodger A. Heaton, U.S. Attorney for the Central District of Illinois. Judge Scott ordered Ripka to report to the federal Bureau of Prisons on March 1, 2007, to begin serving her prison sentence.

Ripka, an assistant to a Horace Mann executive, began serving as bookkeeper and coordinator of Horace Mann's annual United Way campaign in 1999 and continued until she resigned from Horace Mann in November 2004. As part of its United Way campaign, Ripka was authorized to use a Horace Mann credit card, a special company checking account, and cash that Horace Mann and its employees collected annually for donation to United Way. Ripka embezzled funds for her personal use by cashing company checks, using the company credit card for personal purchases, and stealing cash collected at special fund-raising events.

During today's sentencing hearing, the government also presented testimony from two witnesses as evidence that Ripka has a history of stealing from her employers. Prior to going to work for Horace Mann in 1990, Ripka managed the Springfield AFSCME office during the late 1980's. Her boss, former AFSCME Director Steve Culen, testified at today's hearing that he had regarded Ripka as an excellent employee until she confessed that she had written a \$5,000 check to herself, on the union's account, which she declared was "an advance." Culen testified that Ripka's revelation was made in advance of a routine Department of Labor audit. Culen testified that such a loan was illegal, and he would not have approved any such loan had he known about it. He ordered Ripka to pay back the money immediately and she was fired soon thereafter when he learned that she had also used union funds to buy groceries for her family.

Following Ripka's employment at Horace Mann, in 2005 she became the assistant manager of Chico's, a women's clothing store in Springfield. As an aggravating factor in recommending a higher sentence, the government alleged that Ripka had been stealing clothing from Chico's until she left that employment in March 2006. When a garbage collector picked up two large bags of garbage from Ripka's residence in March 2006, one of the bags ripped, revealing mostly new, unworn clothes from Chico's, many of which still bore the store tags.

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The store tags on the recovered items, which the garbage collector had taken to his wife, did not correspond to Chico's store records of items Ripka purchased using her associate's card.

Judge Scott ruled that Ripka abused a position of trust in that her position at Horace Mann enabled her to control the United Way campaign account, thus enabling her to commit and continue the embezzlement of funds. Judge Scott also found that Ripka obstructed justice by falsely attempting to reduce the amount of loss. Ripka's mother had given Ripka funds to purchase an annuity for her mother. Ripka instead used the money to pay back some of the embezzled funds to Horace Mann. The court found that Ripka attempted to influence her mother to state falsely that the money was a loan and not for purchase of an annuity.

Ripka was ordered to serve three years supervised release upon her release from prison and to serve 300 hours of community service.

The investigation and prosecution of the case were the result of cooperation from Horace Mann and the Federal Bureau of Investigation. When Horace Mann officials discovered the embezzlement, they investigated the matter and referred it to the U.S. Attorney's Office and the FBI. Assistant U.S. Attorney Joseph H. Hartzler prosecuted the case.

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